



Three-Year Program Plan: Energy Efficiency Investment Fund (EEIF), E2 Industrial (E2I), Weatherization Assistance Program (WAP)

Presentation to the
Delaware Energy Efficiency Advisory Council
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DNREC Objectives & Plan Overview

► DNREC Program Goals

- Provide cost-effective energy savings for DE ratepayers
- Contribute energy savings towards the DE statewide goals

► Three Programs in the Portfolio

- Energy Efficiency Investment fund (EEIF); E2 Industrial Program (E2I); Weatherization Assistance Program
- Only EEIF and E2I are presented to EEAC for approval as cost-effective programs counting to statewide electric and natural gas saving goals

Energy Efficiency Investment Fund (EEIF)

- ▶ Provides incentives for commercial and industrial sector energy efficiency projects
- ▶ Targets both gas and electric savings
- ▶ Two main components:
 - Prescriptive incentives for common, well understood measures
 - Custom incentives for energy saving measure not offered prescriptively
- ▶ Three main funding sources
 - \$8 million from merger funds (for use in DPL)
 - \$2 million in RGGI funds for use statewide
 - \$1.4 million from SEU non-profit and governmental buildings (not included in DNREC's portfolio totals)

EEIF – Costs and Savings

	Year 1	Year 2	Year 3	Total
Annual Energy Savings (MWh)	14,651	14,651	14,651	43,954
Annual Demand Savings (kW)	2,446	2,446	2,446	7,339
Annual Thermal Savings (MMBtu)	48,146	48,146	48,146	144,439
Participants	172	172	172	516
Incentive Costs (millions)	\$3.0	\$3.0	\$3.0	\$9.0
Implementation Costs (millions)	\$0.3	\$0.3	\$0.3	\$1.0
Total Program Costs (millions)	\$3.3	\$3.3	\$3.3	\$10.0
TRC Benefit-Cost Ratio	2.3	2.3	2.3	2.3
Electric savings as % of statewide sales	0.13%	0.13%	0.13%	0.39%
Gas savings as % of statewide sales	0.08%	0.08%	0.08%	0.25%
Note: In this and all tables in this report, totals may not equal the sum of individual values due to rounding.				

E2 Industrial Program (E2I)

- ▶ Addresses unique needs of comprehensive energy savings projects for large industrial customers.
 - Annual electric usage > 10,000 MWh, or
 - Annual natural gas usage > 95,000 MMBtu
 - Incentive not subject to \$1 million cap
- ▶ Targets both gas and electric savings; all projects will be custom
- ▶ \$8 million in program funds available from merger; only available in DPL territory

E2I – Costs and Savings

	Year 1	Year 2	Year 3	Total
Annual Energy Savings (MWh)	7,081	7,081	7,081	21,242
Annual Demand Savings (kW)	1,012	1,012	1,012	3,035
Annual Thermal Savings (MMBtu)	61,184	61,184	61,184	183,552
Participants	1	1	1	3
Incentive Costs (millions)	\$2.5	\$2.5	\$2.5	\$7.5
Implementation Costs (millions)	\$0.16	\$0.16	\$0.16	\$0.48
Total Program Costs (millions)	\$2.7	\$2.7	\$2.7	\$8.0
TRC Benefit-Cost Ratio	2.6	2.6	2.5	2.6
Electric savings as % of statewide sales	0.06%	0.06%	0.06%	0.19%
Gas savings as % of statewide sales	0.11%	0.11%	0.11%	0.32%

EEIF and E2I – Portfolio Costs and Savings

Total Portfolio	Year 1	Year 2	Year 3	Total
Annual Energy Savings (MWh)	21,732	21,732	21,732	65,197
Annual Demand Savings (kW)	3,458	3,458	3,458	10,374
Annual Thermal Savings (MMBTU)	109,330	109,330	109,330	327,991
Participants	173	173	173	519
Incentive Costs (millions)	\$5.5	\$5.5	\$5.5	\$16.5
Implementation Costs (millions)	\$0.5	\$0.5	\$0.5	\$1.5
Total Program Costs (millions)	\$6.0	\$6.0	\$6.0	\$18.0
TRC Benefit-Cost Ratio	2.4	2.4	2.4	2.4
Electric savings as % of statewide sales	0.19%	0.19%	0.19%	0.58%
Gas savings as % of statewide sales	0.19%	0.19%	0.19%	0.57%

Weatherization Assistance Program (WAP)

- ▶ Provides weatherization services to low income mobile homes and other single family households
- ▶ Audits and services provided at no-cost
- ▶ Measures include:
 - Efficient lighting (CFL and LED)
 - Air sealing
 - Insulation
 - Heat pump water heater
 - Health and safety (CO monitors, gas leaks, etc.)
- ▶ WAP TRC currently < 1.0; DNREC is not submitting this plan for contribution to the statewide goals

WAP – Costs and Savings

	Year 1	Year 2	Year 3	Total
Annual Energy Savings (MWh)	175	198	226	598
Annual Demand Savings (kW)	102	111	127	340
Annual Thermal Savings (MMBTU)	7,417	8,450	9,657	25,524
Participants	300	350	400	1050
Incentive Costs (millions)	\$1.2	\$1.4	\$1.6	\$4.2
Health and Safety Costs (millions)	\$0.4	\$0.4	\$0.5	\$1.2
Implementation Costs (millions)	\$0.6	\$0.7	\$0.7	\$2.0
Total Program Costs (millions)	\$2.2	\$2.5	\$2.8	\$7.4
TRC Benefit-Cost Ratio	0.6	0.6	0.6	0.6
TRC Benefit-Cost Ratio w/o Health and Safety Costs	0.7	0.7	0.8	0.7

DNREC Contribution to Savings Goals

	Program Year 1	Program Year 2	Program Year 3	Total
Annual Electric Energy Savings (MWh)				
EEIF	14,651	14,651	14,651	43,954
E2I	7,081	7,081	7,081	21,242
Portfolio Total	21,732	21,732	21,732	65,197
Electric Savings as % of Sales	0.19%	0.19%	0.19%	0.58%
Electric Savings Goal	0.40%	0.70%	1.00%	2.10%
Annual Natural Gas Savings (MMBtu)				
EEIF	48,146	48,146	48,146	144,439
E2I	61,184	61,184	61,184	183,552
Portfolio Total	109,330	109,330	109,330	327,991
Natural Gas Savings as % of Sales	0.19%	0.19%	0.19%	0.57%
Natural Gas Savings Goal	0.20%	0.30%	0.50%	1.00%

Comments & Questions?